



**RE: Updated April – September 2023 Phased-
Down State Contribution Final Per Capita Rates**

May 8, 2023

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) requires that the Centers for Medicare & Medicaid Services (CMS) notify each State, no later than October 15 of each calendar year (CY), of its annual per capita drug payment expenditure amount for the following year. Payments for the phased-down State contribution are made on a monthly basis. These payments are defined by the MMA to be the product of the annual per capita full dual-eligible drug payment amount and the monthly State enrollment of full-benefit dually eligible beneficiaries.

This Informational Bulletin¹ is to notify you of changes to the phased-down State contribution per capita rates for April through September 2023. The updated rates for these months are shown in Attachments 1 and 2.

On March 18, 2020, the Families First Coronavirus Response Act (P. L. 116-127) was signed into law. Section 6008 of the Act provided for qualifying states a temporary 6.2% increase to the FMAP during the public health emergency (PHE) period. This increase in the FMAP also affected the calculation of the phased-down State contribution per capita rates starting January 1, 2020. This adjustment only applied to states that qualified for the temporary FMAP increase and while the temporary FMAP increase is in effect.

More recently, the Consolidated Appropriations Act, 2023 (P. L. 117-328) was signed into law on December 29, 2022. Section 5131 provides additional temporary FMAP increases for April through December 2023, subject to the states meeting certain requirements with regard to eligibility redeterminations in these quarters. The FMAP increases will be 5% for April through June 2023, 2.5% for July through September 2023, and 1.5% for October through December 2023.

In addition, the American Rescue Plan Act of 2021 (P. L. 117-2) was signed into law on March 11, 2021. Section 9814 of the Act provides a temporary FMAP increase of 5% to states that expanded Medicaid eligibility to all individuals described in section 1902(a)(10)(A)(i)(VIII) under the State plan or waiver of such plan. This FMAP increase would last for 8 calendar year quarters and would only apply for states that expand eligibility after the enactment of the Act. At this time, two states qualify for this FMAP increase (Missouri and Oklahoma). The state contribution rates adjusted for this FMAP increase for these states are shown in Attachment 2.

¹ For distribution request of this letter please go to [Medicaid.gov](https://www.medicare.gov), select “Sign-up for Website and Program Update” then select the “CMCS Informational Bulletin” Subscription topic.

CMS intends to bill states using the same approach to claiming federal Medicaid funds in these quarters. That is, for billing purposes, CMS will use the same FMAP in place for claiming Medicaid expenditures on the quarterly CMS-64. Please note, as CMS verifies that states meet the requirements for the FMAP increase at the end of each quarter, the effective rates and billing may be subject to change.

For inquiries regarding data reporting and dual eligibility, please contact:

- MMCO_MMA@cms.hhs.gov

For inquiries regarding SPD Billing Procedures and System-related inquiries, please contact:

- Keith.Johnson@cms.hhs.gov and Fanta.Bowman@cms.hhs.gov
- Phyllis.Martin@cms.hhs.gov and MEPBSEDBSSStaff@cms.hhs.gov

For inquiries regarding the Part D per capita rate calculations:

- Christopher.Truffer@cms.hhs.gov
- Eric.Eckstein1@cms.hhs.gov

Sincerely,

A handwritten signature in cursive script that reads "Sara Vitolo". The signature is written in black ink on a light-colored background.

Sara Vitolo
Deputy Director
Center for Medicaid & CHIP Services

ATTACHMENT 1: Phased-Down State Contribution Rates for April – September 2023

State	State Name	April – September Rates with no FMAP Adjustment	April – June Rates with 5% FMAP Adjustment	July – September Rates with 2.5% FMAP Adjustment
AL	Alabama	87.25	71.42	79.34
AK	Alaska	229.43	206.49	217.96
AZ	Arizona	71.71	59.93	65.82
AR	Arkansas	83.16	68.66	75.91
CA	California	155.08	139.57	147.32
CO	Colorado	199.81	179.83	189.82
CT	Connecticut	245.82	221.24	233.53
DE	Delaware	163.57	143.87	153.72
DC	District of Columbia	88.17	73.47	80.82
FL	Florida	171.36	149.91	160.64
GA	Georgia	120.79	103.02	111.91
HI	Hawaii	125.63	111.34	118.48
ID	Idaho	132.20	110.08	121.14
IL	Illinois	200.86	180.77	190.81
IN	Indiana	142.25	121.54	131.89
IA	Iowa	156.37	135.16	145.77
KS	Kansas	168.60	147.65	158.12
KY	Kentucky	110.71	90.82	100.77
LA	Louisiana	128.72	109.05	118.88
ME	Maine	128.57	111.05	119.81
MD	Maryland	209.99	188.99	199.49
MA	Massachusetts	164.60	148.14	156.37
MI	Michigan	105.08	90.19	97.63
MN	Minnesota	199.47	179.21	189.34
MS	Mississippi	68.35	52.91	60.63
MO	Missouri	169.55	144.76	157.15
MT	Montana	144.42	124.29	134.35
NE	Nebraska	176.96	155.96	166.46
NV	Nevada	142.07	123.05	132.56
NH	New Hampshire	233.44	210.09	221.77
NJ	New Jersey	251.16	226.04	238.60
NM	New Mexico	72.84	59.22	66.03
NY	New York	185.19	166.67	175.93
NC	North Carolina	133.08	112.47	122.77
ND	North Dakota	170.65	153.04	161.85
OH	Ohio	181.92	156.95	169.44
OK	Oklahoma	99.52	84.27	91.89
OR	Oregon	162.75	142.24	152.49
PA	Pennsylvania	207.96	186.30	197.13
RI	Rhode Island	183.88	163.91	173.90
SC	South Carolina	83.39	69.22	76.31
SD	South Dakota	177.16	156.68	166.92
TN	Tennessee	155.63	132.67	144.15
TX	Texas	125.81	110.14	117.98
UT	Utah	159.57	136.17	147.87
VT	Vermont	169.45	150.27	159.86
VA	Virginia	208.74	187.59	198.16
WA	Washington	200.20	180.18	190.19
WV	West Virginia	96.72	78.10	87.41
WI	Wisconsin	165.80	145.02	155.41
WY	Wyoming	221.03	198.93	209.98

ATTACHMENT 2: Phased-Down State Contribution Rates Adjusted for American Rescue Plan Act Section 9814 for April – June 2023

State	State Name	April – June Rates with no FMAP Adjustment	April – June Rates with 5% FMAP Adjustment
MO	Missouri	144.76	119.96
OK	Oklahoma	84.27	69.03